

## HB 104 Employee Town Halls

DHRM April 2022

## HB 104

The 'Performance Management Bill'



## Why Are We All Here?

HB 104 "State Employment Amendments"

- Passed in 2022 Legislative Session & signed by Governor Cox

5 substantial components of HB 104 (all w/ different effective dates)

- 1. Career Service Grievance Process
- 2. Compensation Policy Updates
- 3. Schedule AX Classification
- 4. Manager Training
- 5. Modernizing Performance Management



### Timeline and Roll Out

#### Performance Management Roll-out: A Phased Approach Phase 3 Phase 1 Phase 2 Next 60 Days 60 - 180 Days 6 Months - 2 Years CAREER Information provided to agencies by CSRO & DHRM May 4, 2022 SERVICE Employer gets first opportunity to address issues **GRIEVANCE** · Process begins at the lowest level that has not had the opportunity to address an issue • Time to file a grievance shortened from 30 to 10 working days Internal prep led by DHRM July 1, 2023 July 1, 2022 COMPENSATION · Repeals 5% guarantee for promotions · Repeals longevity · Repeals merit increases · Hiring/Recruiting process through June 30, 2022 updated · July 1, 2022 - July 1, 2023: Opt In period CLASSIFICATION Recruiting communications updated to reflect · Hiring: Any supervisor hired on or after July 1, 2022 will be Schedule AX schedule change Current supervisors informed of opt-in process choices Internal prep led by DHRM · Review existing agency training modules July 1, 2023 **TRAINING** · Training development to include: Annual supervisor · Effective employee management and evaluation methods training begins Effective communications supervisor/employee · Or within 6 months · Best practices for retaining high performing employees of promotion · Best practices for addressing poor performing employees Internal prep led by DHRM **MODERNIZING** · Review existing agency compensation plans July 1, 2023 **PERFORMANCE** · Modernizing Performance Management development to include: · Begins with · Guidelines and criteria for policies and administration based on an employee's performance in **MANAGEMENT** emplovee furtherance of the agency's mission performance goal · Employee performance ratings guidelines for written performance standards and expectations Human Resource



## Why Were YOU Specifically Invited Here?

You currently qualify for the opt-in conversation

#### Why did I qualify?

- Career service employee and position
- Regular supervision and evaluation of one or more employees
- No exception required\*



### What You Need To Know?

- 1. Conversion to schedule AX/career service exempt is optional
- 2. There is an incentive
- 3. Opt-in period begins July 1, 2022 (ends June 30, 2023)
- 4. Must complete and submit form by June 30, 2023



## How Will I Opt In?

#### Before July 1, 2022:

- Written electronic communication and process for opting in will be delivered directly to you
- Questions should be directed to your field HR team



## What Changes For Me?

#### If I elect to opt-in

- > 5% incentive (after written acceptance complete)
- You move from career service status to career service exempt
- Position will move to schedule AX (career service exempt)

#### If I elect to NOT opt-in

- Retain career service status
- No Incentive given
- Position will move to schedule AX (career service exempt) but you will stay career service (schedule B)



**Questions?** 

## What Else Is Coming?

#### Performance Management Roll-out: A Phased Approach Phase 1 Phase 2 Phase 3 Next 60 Days 60 - 180 Days 6 Months - 2 Years CAREER Information provided to agencies by CSRO & DHRM May 4, 2022 SERVICE Employer gets first opportunity to address issues **GRIEVANCE** · Process begins at the lowest level that has not had the opportunity to address an issue • Time to file a grievance shortened from 30 to 10 working days Internal prep led by DHRM July 1, 2023 July 1, 2022 COMPENSATION • Repeals 5% guarantee for promotions · Repeals longevity · Repeals merit increases Led by DHRM · Hiring/Recruiting process through June 30, 2022 updated · July 1, 2022 - July 1, 2023: Opt In period CLASSIFICATION Recruiting communications updated to reflect · Hiring: Any supervisor hired on or after July 1, 2022 will be Schedule AX schedule change Current supervisor inform pt-in pracess choices Internal prep led by DIRM · Review existing agency training modules July 1, 2023 **TRAINING** · Training development to include: Annual supervisor · Effective employee management and evaluation methods training begins Effective communications supervisor/employee · Or within 6 months · Best practices for retaining high performing employees of promotion · Best practices for addressing poor performing employees Internal prep led by DHRM **MODERNIZING** · Review existing agency compensation plans July 1, 2023 **PERFORMANCE** · Modernizing Performance Management development to include: · Begins with · Guidelines and criteria for policies and administration based on an employee's performance in **MANAGEMENT** emplovee furtherance of the agency's mission performance goal Employee performance ratings guidelines for written performance standards and expectations Human Resource Management



# Clarification of additional HB 104 requirements

#### Regardless of schedule code or opt-in:

- 1. Required annual manager training (July 2023)
- 2. Performance Management tied to compensation (July 2023)
  - For you as a supervisor
  - For you as a direct report
- 3. Compensation policy
  - Repealing legislatively granted merit increases/mandatory 5% promotion increase (July 2022)
  - Repeals longevity (July 2023)



# On Its Way: Required Manager Training

- ⊳ By July 1, 2023:
- > To be compliant, training must contain the following elements:
  - Effective employee management and evaluation methods based on the pay for performance management system
  - o Instruction to improve supervisor and employee communications
  - Best practices for recognizing and retaining high-performing employees
  - Best practices for addressing poor-performing employees
- After review in summer 2022, DHRM intends to deliver:
  - On-line, self-paced course on performance management/pay for performance concepts:
  - Fall 2022 (required to be taken by all supervisors before July 1, 2023)
  - Tracked in the LMS
  - Current agency training may fulfill the requirements



## On Its Way: Required Performance Mgmt

- ⊳ Starting July 1, 2023:
- ▶ "What" the bill requires:
  - Goal setting ("well defined plan before work begins")
  - Evaluation of performance ("measurement procedures are in place")
  - Reward for meeting or exceeding goal(s) ("specific incentives")
- ► "How" the bill requires it:
  - Clear agency policy
  - o Goal setting:
    - A defined written plan with standards and expectations
  - Evaluation of performance
    - Quarterly written evaluation
    - Ongoing supervisor verbal and written feedback
    - Employee performance ratings
  - Reward
    - Salary moves with employee performance



## On Its Way: A Modern System For A Modern Workforce

- 3 year project led by Government Operations
  - Gov Ops
  - Technology Services
  - Human Resources
  - Agency leadership
- > Targeting 2024 replacing
  - o UPM
  - o Payroll
  - Most systems tied to HR



## HUMAN CAPITAL MANAGEMENT PORTAL

Gov. Spencer J. Cox FY 23 Budget Recommendation 3-year plan approved by legislature



**Questions?** 



## Thank You

## Phase 2: Required Performance Mgmt-What and How Example





